MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2015/2016

BMK 1014 – PRINCIPLES OF MARKETING

(All sections / Groups)

13th October 2015
2.30 p.m. - 4.30 p.m.
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This question paper consists of 6 printed pages (including the cover page) with two sections (A and B).
2. Section A (40 marks): Answer all questions.
3. Section B (60 marks): Answer any THREE out of FOUR questions.
4. Please write all your answers in the Answer Booklet provided.

SECTION A: 40 marks
Answer all questions.

1) Which of the following marketing management concepts is most likely to lead to marketing myopia?
A) the customer-driven marketing concept
B) the customer-driving marketing concept
C) the societal marketing concept
D) the selling concept
E) the production concept

2) Which of the following reflects the marketing concept philosophy?
A) We don't have a marketing department, we have a customer department.
B) We're in the business of making and selling superior products.
C) We build them so you can buy them.
D) When it's profits versus customers' needs, profits will always win out.
E) You won't find a better deal anywhere else.

3) Cosmetics firm SatinSilk is revamping its mission statement and advertising strategy. The planning team comes up with a list of options for the new mission statement. The CEO stresses that the new mission statement should be market-oriented rather than product-oriented. Which of the following mission statements should the company pick?
A) to create the best possible products and sell them at the best possible price
B) to sell cosmetics products that are hypoallergenic and made only from the finest natural materials
C) to give customers the complexion they dream about by providing a range of products suited to their needs
D) to sell affordably priced cosmetics in every cosmetics product category
E) to increase our market share in the cosmetics segment and increase profit margins

4) In the BCG growth-share matrix, stars refer to _____.
A) products with a low market share in a niche market
B) products with a low relative market share in a market with high growth prospects
C) products that have a greater market share than all their competitors combined in a saturated market
D) products with a high market share in a market with a high growth rate
E) products with a low market share in a market that is set to decrease significantly

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5) Which of the following is an example of a marketing intermediary?
A) a firm that acts as a liaison between the company and the government
B) a firm that provides technical expertise on the production design of a particular product
C) a firm that is a direct competitor to the company's products
D) a firm that supplies raw materials needed for manufacturing the company's products
E) a firm that helps move the company's stocks from production points to distribution centers

6) The dimension of citizen-action publics is most likely to include _____.
A) company directors and managers
B) stockholders and investment analysts
C) government trade agencies
D) consumer organizations and environmental groups
E) magazines and news channels

7) A marketing information system begins with the step of _____.
A) generating insights into the consumption patterns seen in the market
B) analyzing the results of marketing research studies
C) developing information from internal or external sources
D) assessing the information the company needs
E) hiring marketing research firms to conduct research for the company

8) _____ is the systematic design, collection, analysis, and reporting of data relevant to a specific marketing situation facing an organization.
A) Test marketing
B) Marketing research
C) Commercialization
D) Integrated marketing
E) Exclusive distribution

9) A shoe company uses ads featuring the members of a country music band knowing that the band's fans will see the members wearing the company's shoes and will want to wear the same shoes. In this case, the band is a(n) _____ for its fans.
A) membership group
B) reference group
C) laggard
D) early adopter
E) late majority

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10) Facebook and Twitter are examples of _____.
A) buzz marketing
B) telepresence technology
C) social networks
D) virtual worlds
E) online marketplaces

11) Which of the following is the right order of the four steps to design a customer-driven marketing strategy?
A) market segmentation, differentiation, positioning, and targeting
B) positioning, market segmentation, mass marketing, and targeting
C) market segmentation, targeting, differentiation, and positioning
D) market alignment, market segmentation, differentiation, and market positioning
E) market recognition, market preference, market targeting, and market insistence

12) When Burger King targets children, teens, adults, and seniors with different ads and media, it is practicing _____ segmentation.
A) geographic
B) age and life-cycle
C) psychographic
D) behavioral
E) usage rate

13) Which of the following types of products is likely to the priced the lowest?
A) shopping products
B) convenience products
C) specialty products
D) industrial products
E) capital products

14) A laundry detergent is most likely to be an example of a(n) _____ product.
A) unsought
B) shopping
C) convenience
D) specialty
E) industrial

Continued...

15) What are the two ways in which a company can obtain new products?
A) rebranding and brand management
B) internal development and product audits
C) new-product development and acquisition
D) market development and product extension
E) market mix modification and integrated marketing

16) Which of the following represents an internal source of new-product ideas?
A) customers
B) distributors
C) suppliers
D) employees
E) competitors

17) Value-based pricing is the reverse process of _____ pricing.
A) variable cost-based
B) cost-plus
C) cost-based
D) good-value
E) equity value-based

18) When there is price competition, many companies adopt _____ rather than cutting prices to match competitors.
A) high-low pricing strategies
B) value-added pricing strategies
C) target return pricing strategies
D) EDLP strategies
E) image pricing strategies

19) Which of the following is true of using direct marketing channels?
A) It decreases the number of channel transactions between the producer and customer.
B) It is used by firms that sell their products through intermediaries.
C) It is a distributing channel that does not use intermediaries.
D) It gives the least amount of control to the producer over selling their product.
E) It creates a complex distributional channel with several types of flows.

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20) Which of the following is an example of horizontal conflict in the distribution channel?
A) a Nike shoe dealer complaining that the shoes provided to the dealer are defective
B) a Ford car dealer complaining that another Ford dealer is overpricing customers for the same car model
C) a FedEx agent complaining that a DHL agent is cutting off its business
D) a Walmart executive complaining to a Pepsi executive for not replenishing stocks
E) a Gucci executive complaining to Gucci's suppliers of delay in shipping consignments

SECTION B: 60 marks
Answer THREE (3) out of FOUR (4) questions.

Question 1

Identify TWO (2) major advantages of the following forms of direct marketing: telephone, direct-mail, catalog, direct-response television, and kiosk. (20 marks)

Question 2

Describe all of the five stages in the buyer decision process. (20 marks)

Question 3

What are the important factors that a marketer should be aware of when developing a creative concept for an advertisement? (20 marks)

Question 4

What are the four elements of compensation? Give an example to show how these elements motivate salespeople in different situations. (20 marks)

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